



HOME BUILDERS ASSOCIATION OF CONNECTICUT, INC.  
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*Your Home  
Is Our  
Business*

February 25, 2010

To: Senator Gary D. LeBeau and Representative Jeffrey J. Berger, Co-Chairs,  
and members of the Commerce Committee

From: Bill Ethier, CAE, Chief Executive Officer

Re: RB 5208, AAC Expedited Permitting for Economic Development

The HBA of Connecticut is a professional trade association with 1,100 member firms statewide, employing tens of thousands of Connecticut citizens. Our members are residential and commercial builders, land developers, home improvement contractors, trade contractors, suppliers and those businesses and professionals that provide services to our diverse industry. We estimate that our members build 70% to 80% of all new homes and apartments in the state.

**We support RB 5208, with some suggested amendments, as another step on the path to restore Connecticut as a place to do business and grow once again.**

**Connecticut's development and permitting environment is extremely difficult.** Very often, the multitude of local and state agencies that need to review and approve a proposed development or activity do not communicate or coordinate their reviews. In many cases, the various reviews are sequential, rather than simultaneous or concurrent, which further lengthens the overall processing time. The legislature's Blue Ribbon Commission on Affordable Housing and Economic Development over a year ago reviewed a draft development due diligence spreadsheet that shows a possible thirty-five (35) stops at the municipal level and twenty-five (25) stops at the state level for development activity (*see the latest version on our web site's Housing & Economic Development page at [www.hbact.org](http://www.hbact.org)*). Add federal permits, reviews by private and public utilities and delays caused by litigation from opponents and Connecticut has a perfect storm of approval nightmares. **It does not surprise us that Connecticut lags in so many economic development, housing and demographic indicators as compared to other states.** We also refer you to our testimony submitted to the Regulations Review Committee on January 26, 2010 (*also posted on our Housing & Economic Development page*) for some specific regulatory burdens faced by our industry.

**RB 5208 is just one way to help streamline and expedite the permit approval process.** Essentially identical to last year's HB 6586, which we supported in the Planning & Development Committee (but which died in the Environment Committee for lack of action), RB 5208 promotes the establishment of action review teams to expedite the review of permit applications for projects that produce permanent, full-time equivalent jobs or are located in brownfields. **We urge you amend the bill so that residential developments will also directly benefit and be able to take advantage of these expedited reviews.** According to the National Association of Home Builders, the construction of 100 single family homes creates 305 local jobs in the year of construction (about 80% are construction jobs and 20%

are other local jobs), producing \$8.9 million in revenues for federal, state and local governments. These 100 new homes also create 53 additional annually recurring local jobs. New homes create these annually recurring local jobs because of the economic activity of new home owners, from buying furnishings to landscaping to filling their gas tanks and making other purchases in the community. Another way to put the economic impact, the construction of a new single family home creates, on average nationally, 3.05 jobs and \$89,216 in taxes, fees and payments to government in the first year alone. The impacts are likely higher in Connecticut because our taxes and fees are higher than the national average.

**Housing construction is and always has been a driver in the larger economy – when housing is up, our economy is up, and now more people know the reverse is true – so housing construction should also be promoted through expedited permit processes.**

**While we support the concept of this bill, we strongly urge adding language to RB 5208 that prohibits a memorandum of understanding among participating agencies and municipalities from waiving the statutory timeline for processing permits pursuant to section 8-7d, i.e., making the processing deadlines in that section longer. Also, the public hearing process beginning at line 59 seems unnecessary and will add significant time to permit processes that already have public hearings. Adding a new public hearing to processes that already provide for public comment will not streamline or expedite permit approvals.**

**Finally, we urge that you include a specific reference to residential developments of a certain size (e.g., 100 or more dwelling units) as eligible for assistance from the expedited action review teams.**

In conclusion, before the Planning & Development Committee on February 18, 2009, on RB 6586, we said, **"The critically important point is that the need for this bill could not be greater"** and now, when development activity is at a low point, is the time to do it." 2008 was a horrible year for new housing. One year later, I never thought I could say we would be worse off. We are. New housing permits for 2009 were issued at an all-time low. Connecticut is dying. **Our often-touted strengths are not enough to overcome our weaknesses. We need to fix our weaknesses while playing to our strengths. Please do something to turn Connecticut around. Please!**

We urge you to pass RB 5208 with our suggested amendments, and to work with leadership so it and other measures this committee pursues to improve our regulatory environment survive the Environment Committee, perhaps other committees and the onslaught of advocates who want to keep the status quo.

Thank you for raising, and the opportunity to comment on, this legislation.